

NDA BURNS PROPOSED AMENDMENT NO. 1

ORIGINAL

ME/DATE PREPARED: Monday, July 21, 2014

COMPANY: EPCOR Water Arizona Inc. EIVED

AGENDA ITEM NO. 24

DOCKET NO(S). W-01303A-1040448JL 21 P 3: 480PEN MEETING DATE: July 22, 2014

DOCKET CONTROL

The purpose of this proposed amendment is to explore further options and be mindful of what answers we are trying to achieve and what unintended consequences we are trying to avoid.

The first item concerns the issue involving "cost causers." What happens when all districts are consolidated but one district needs a substantial improvement in plant. Even though that district is the only one using this plant, should all other ratepayers also pay for it?

The second item is for policy-making discussion. For example, are there any good reasons why districts in disparate geographical locations such as Tubac, Paradise Valley, and Sun City be consolidated?

The third item serves the purpose of making sure we have the most recent and up-to-date information when assessing various scenario calculations.

DOCKETED

JUL 2 1 2014

DOCKETED BY

INSERT at Page 8, line 23, After "warranted."

Discussion and analysis should address, when the circumstances in one district necessitate a substantive investment for new plant and/or infrastructure improvements, for only that district.

INSERT at Page 8, line 25

1. Discussion and analysis as to whether consolidation is warranted, when there is no nexus between districts that do not share contiguous service territorial borders, weather conditions, urban or rural locations, farming factors and/or water supply needs.

INSERT at Page 9, line 4

g. Any recent calculations by EPCOR, which have previously identified potential alternative options, must be updated and must also add any new calculations if the next rate case moves forward as scheduled.

PLEASE MAKE ALL CONFORMING CHANGES.

Passed	THIS AMENDMENT: Passed as amended by	
Failed	Not Offered	Withdrawn